

Message Text

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ORIGIN COME-00

INFO OCT-01 EUR-12 IO-13 ISO-00 EB-08 AGRE-00 CEA-01
CIAE-00 DODE-00 FRB-03 H-01 INR-07 INT-05 L-03
LAB-04 NSAE-00 NSC-05 PA-01 CTME-00 AID-05 SS-15
STR-06 ITC-01 TRSE-00 USIA-06 PRS-01 SP-02 SOE-02
OMB-01 DOE-11 /114 R

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COM/BIEPR/OTP/IND/CJOHNSON
COM/BIEPR/OTP/TNAD/ASTOLER
STR/HLAWRENCE
LABOR/JLAVALLEE
TREASURY/EBARBER
ENERGY/BMCNUTT
ENERGY/JTREAT(INFO)
EUR/CE:JHURLEY

-----110460 110519Z /11

R 102114Z JAN 78
FM SECSTATE WASHDC
TO AMEMBASSY VIENNA
USMISSION GENEVA

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USMTN FOR MTN GENEVA

E.O. 11652: N/A

TAGS: ETRD, MTN, GATT, AU

SUBJECT:AUSTRIAN MOTOR VEHICLE TAX

REF: (A) VIENNA 10786

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1. THE DECEMBER 13, 1977 AMENDMENT OF THE 1952 AUSTRIAN
MOTOR VEHICLE TAX REPORTED REFTTEL APPEARS TO CALL FOR TAXES
TO BE ASSESSED ON THE BASIS OF ENGINE CAPACITY, LIKE
SIMILAR TAXES MAINTAINED BY BELGIUM, FRANCE, FRG, AND
ITALY. ENGINE CAPACITY BEARS NO DIRECT RELATION TO FUEL
CONSUMPTION WHEN ENGINE REVOLUTIONS PER MINUTE VARY
SIGNIFICANTLY. THUS, AUSTRIAN TAX DISCRIMINATES AGAINST

U.S. BUILT VEHICLES WITH EQUAL OR BETTER GAS MILEAGE THAN FOREIGN COUNTERPARTS, AND IMPAIRS THE VALUE OF OUR 1967 CONCESSION.

2. SINCE THE AUSTRIAN TAX, AS AMENDED, IS ASSESSED ON A BASIS WHICH DOES NOT BEAR A DIRECT RELATION TO VEHICLE FUEL CONSUMPTION, IT CANNOT BE VIEWED AS A CONSERVATION MEASURE. ALTHOUGH THE IEA HAS ENCOURAGED MEMBERS TO ADOPT FISCAL OR OTHER MEASURES TO FOSTER ENERGY CONSERVATION, NEITHER THE IEA, NOR THE U.S. HAVE CALLED FOR THE ADOPTION OF MOTOR VEHICLE TAXES OF THE TYPE IMPOSED BY AUSTRIA.

3. EMBASSY REQUESTED TO MAKE CLEAR TO APPROPRIATE GOA OFFICIALS THAT THE USG IS WILLING TO WITHHOLD A RENEWED REQUEST FOR COMPENSATION UNDER GATT ARTICLE XXVIII IF THE GOA COMMITS ITSELF TO AMEND TAX WITHIN ONE YEAR SO THAT THE TAX INCREASE IS DIRECTLY PROPORTIONAL TO VEHICLE'S FUEL CONSUMPTION. IF THE GOA CANNOT MAKE THIS COMMITMENT TO ELIMINATE THE DISCRIMINATION AGAINST U.S.-BUILT VEHICLES, THE USG WILL REQUEST FULL COMPENSATION. FYI THE USG FEELS THAT THE INCLUSION OF THIS AMENDMENT IN THE U.S. MTN REQUEST LIST WOULD INDICATE U.S. READINESS TO COMPENSATE THE AUSTRIANS FOR THE AMELIORATION OF THE TAX SCHEDULE AND WOULD PREFER TO AVOID THIS APPROACH FOR TIME BEING. VANCE
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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MOTORS
Control Number: n/a
Copy: SINGLE
Draft Date: 10 jan 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE006364
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Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780015-0924
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780179/aaaacpdf.tel
Line Count: 94
Litigation Code IDs:
Litigation Codes:
Litigation History:
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Message ID: bc9feae4-c288-dd11-92da-001cc4696bcc
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Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
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Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 78 VIENNA 10786
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 apr 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3798245
Secure: OPEN
Status: NATIVE
Subject: AUSTRIAN MOTOR VEHICLE TAX
TAGS: ETRD, AU, MTN, GATT
To: VIENNA GENEVA
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/bc9feae4-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
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